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Correspondence Memorandum

Date: May 27, 2016
To: Employee Trust Funds Board
Teachers Retirement Board
Wisconsin Retirement Board
From: Mark Lamkins, Director, Office of Communications
Subject: Communications Update

This memo is for informational purposes only. No Board action is required.

New Government Relations Section on Web

The Department of Employee Trust Funds rolled out the [Government Relations](#) section on the ETF website in May. This new section is designed to provide relevant and timely information for members, policymakers and other stakeholders on state and federal legislation that may affect the Wisconsin Retirement System (WRS).

Users can find information on proposed state and federal legislation and laws that may affect ETF and WRS pension, insurance and other benefit programs administered by ETF. In addition, we have included:

- WRS fact sheets, studies and reports
- Nonpartisan research on national trends in public employee benefits
- WRS partners and other organizations, such as retiree advocacy groups and public retirement system associations
- Current and past state budgets
- State legislative agencies and resources

The Government Relations section was developed by Al Florence, Webmaster, and Tarna Hunter, Legislative Liaison, with feedback from agency business areas. We are planning to do a demonstration of web content at the board meeting.

To stay informed about legislative developments, members and others can sign up for [ETF E-mail Updates](#) and select the topic "Government Relations".

Reviewed and approved by Pamela Henning, Assistant Deputy Secretary

Electronically Signed 6/9/16

Board	Mtg Date	Item #
JM	6.23.16	4C

Awareness Building: Core Fund Projections

At the March board meeting Bob Willett, Controller and Chief Trust Finance Officer, presented ETF’s [projections for Core Fund effective rate and annuity adjustments](#) in 2017-2019. Taking into consideration the recognition of \$3.4 billion in past investment losses through 2019 and certain funding assumptions, projections are based on three different scenarios for Core Fund net investment returns (7.2%, 0.0%, -3.8%) for calendar year 2016. Of course, actual effective rates and annuity adjustments will also require an actuarial valuation. Please see the below table with projections for 2017.

Projected WRS Core Effective Rates and Annuity Adjustments			
	2016 Core Fund Net Investment Return	Projected 2017 Core Effective Rate	Projected 2017 Core Annuity Adjustment
Scenario 1	7.2%	7.4% to 7.8%	1.2% to 1.6%
Scenario 2	0.0%	6.0% to 6.4%	0.0%
Scenario 3	-3.8%	5.2% to 5.6%	-0.5%

With this information we began building member awareness about the need to prepare for continued market volatility, low investment returns and the possibility of flat or even negative Core annuity adjustments. Projections were included in the [May member newsletters](#). Secretary Bob Conlin also shared projections in his presentations at Wisconsin Retired Educators Association district meetings throughout the state, the Wisconsin Education Association Council, the UW-Madison Retirement Association and the Wisconsin Coalition of Annuitants Annual Meeting.

We are collaborating on messaging with the State of Wisconsin Investment Board, which released a [video](#) in February featuring Executive Director Michael Williamson. In the video, Williamson discusses the investment challenges ahead and SWIB’s strategies for protecting WRS investments on behalf of members.

Faces of the WRS

Within a few days of distributing the May edition of [WRS News Online](#), ETF received approximately 371 member responses to the question, “Why are you in public service?” This was timed to coincide with Public Service Recognition Week, May 1-7.

When we talk about the strengths and impact of the WRS, we also want to humanize the retirement system by recognizing the many ways state and local government employees help others in their daily work and make our communities strong. The

responses collected and the individuals' years of service, names and photos (i.e., faces of the WRS) may be used in future communications.

Here are a few responses:

"I am working in my 17th year for the DOC. I am in my position with state service due to the fact I feel I can and do make a difference in the lives of the inmates I come in contact with daily. Hoping to better their work skills and people skills along the way."

"Being a teacher is one of the most rewarding experiences I believe anyone can have. For many students not only am I a lens to demonstrate content, I am also a mentor and a model of what a successful adult can achieve. Yes there is a lot of stress and too many long and sleepless nights but in the end you know that you have made a difference in someone's life."

"I sincerely feel that one should earn their living in harmony with one's beliefs. We should all be able to earn a living while still contributing to a better society. When I changed careers, I specifically applied to the SPD because those who cannot defend themselves, while guilty or innocent, still deserve objective representation."

"I work as a Disability Benefit Specialist at a county ADRC office. I help people ages 18-59. I truly enjoy helping the disabled population, advocating on their behalf and improving their lives in a way that I am able."

User Engagement Metrics for March-May 2016

- [ETF E-mail Updates](#) – 68 emails sent; 44,669 total subscribers.

Subscribers to *ETF E-mail Updates* have increased by 1,219 compared to the previous quarter. With this email subscription service members, employers and others can subscribe to a variety of WRS-related topics. *ETF E-mail Updates* and quick links on employer intranet sites continue to provide the greatest access to ETF website resources.

- Twitter [@WI ETF](#) – 191 tweets; 67,100 impressions; 325 total followers.

We have ramped up our Twitter campaign and focused on building customer relationships and growing followers with value-added and creative content. We also have incorporated social media best practices that directly affect engagement. As a result, engagement (e.g., follows, favorites, retweets, link clicks, replies) is steadily increasing. We significantly increased our daily Tweets during March-May compared to the previous quarter, generating 69 new followers and doubling the amount of impressions.

During this period, the following organizations have retweeted or tagged us: University of Wisconsin-Madison PROFS, The Wheeler Report, League of

Wisconsin Municipalities, Women's Institute for a Secure Retirement, WisBusiness/WisPolitics, WiscJobs and the Wisconsin Association of Health Plans.

The following organizations are among new followers: Iowa Public Employees' Retirement System, Wisconsin Counties Association, Wisconsin Hospital Association and the Wisconsin State Journal.

- ETF Website, etf.wi.gov – Please see Attachment A for website trends, including a comparison of unique visitors, number of visits and viewed pages. In general, there has been an increase in web traffic for March-May compared to the same time last year and the previous quarter.

By reviewing web navigation entry points and referring sites for this period, we have concluded the increase is primarily attributed to users accessing It's Your Choice (IYC) health insurance web pages and two roll outs this spring, including an e-learning presentation on self-insurance and the new Government Relations section on the ETF website.

Other Updates

- Media Coverage – Recent WRS topics in the media included (1) a report released in May by the [Pew Charitable Trusts](#), which shows Wisconsin is one of four states with the lowest levels of unfunded liabilities for public employee pension and retiree health care; and (2) the Group Insurance Board's (GIB) request for proposals for self-insurance and other efforts that will affect the state's health insurance program. [WisconsinEye](#) videotaped the GIB meeting on May 18.
- IYC Focus Group – About 20 active employees, employer benefit specialists and retirees participated in a focus group in April hosted by ETF. Participants provided feedback on how to improve the [IYC health insurance web pages](#) and printed guides. We will also incorporate findings from recent surveys to state and local government employers and website users to improve IYC communications for the open enrollment period this fall.
- Self-Insurance E-learning – The Office of Strategic Health Policy developed an e-learning presentation, [Self-Insurance in 5 Minutes](#). The e-learning covers how self-insurance works and the GIB's next steps as it considers moving to a self-insured model for the group health insurance program in 2018. To date, the e-learning has generated more than 6,831 views.

Staff will be at the Board meeting to answer any questions.

Attachment: ETF Website Trends

ETF Website Trends, etf.wi.gov (as of June 2, 2016)

